Linda Lindsey Testimony

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JAN 28 2020



COMMUNITY DEVELOPMENT

1505 Portland Road Suite 230, Newberg OR 97132 C 503.550.6556 Fax 541.623.4812 naida.paris@mannmortgage.com

January 25, 2020

RE: Loan Qualification for a sale price of \$345,000 - New Construction

To Whom It May Concern:

MY EXPERIENCE: I am a life long resident of Yamhill County. I have been both an Escrow Officer (12 years) and a Loan Officer (29 years) in the quad-county area. I worked with the Housing Authority of Yamhill County with the modification program and have taught their ABC's of Homebuying program for 15 years.

LOAN PROGRAMS – I used the 100% USDA program and the 96.5% FHA loan program scenarios because most first-time home buyers do not have a lot of money saved for the down payment. First Federal, Key Bank and OnPoint also have CRA first time home buyer programs. See attached scenarios.

INCOME: Based on the average income shown on the MED website, I am using \$57,246 annual income for my ratio calculations. https://www.mcminnvillebusiness.com/data

DEBT: Based on my experience with homeowners I am assuming \$300 in monthly debt but could be much higher depending on car payments or student loans.

TAXES – With the properties discussed being \$345,000 new construction we need to estimate the property taxes. Based on calculation information provided by Kimberly Navarro – Yamhill County Tax Department, and the tax rate for McMinnville. Taxes are estimated at \$3,919 annually or \$326.58 per month.

Sincerely,

Naida Paris Loan Officer NMLS #246301

LOAN PROGRAM REQUIREMENTS

100% USDA RATIOS – Household payment (front end) ratio cannot exceed 32% of gross income. Total debt (back end) ratio cannot exceed 43% of gross monthly income. Max income 1-4 family members \$101,050.00.

96.5% FHA RATIOS - Household payment (front end) ratio should not exceed 39% of gross income*. Total debt (back end) ratio will vary depending on credit, employment history, and

residual funds after closing. We would normally use FHA for higher ratio scenarios. 2020 maximum Yamhill County loan limit \$491,050.

*Please remember that we are using gross monthly income. When the household payment exceeds 32% of the monthly gross income it may leave very little for other living expenses.

97% FIRST FEDERAL - First time homebuying program — Loan amount cannot exceed \$300,000. Their income maximum is 90% of \$58,392 median income = \$52,552 or \$4,379 gross monthly income. Needs two months PITI payments remaining after close. Assume Total debt ratio maximum 45%

100% KEY BANK – First time home buying program – Income maximum is based on census tract – est maximum \$65,120 = \$5426 gross monthly income. Total debt ratio maximum 45%

100% ONPOINT – Just for Starters – Loan program is like Key Bank's. I do not have their income criteria available. Needs two months PITI payments remaining after close. Total debt ratio maximum 45%.

GROSS INCOME \$57,246

USDA - Based on average gross income of \$57,246 = \$4770 and monthly consumer/child support debt of \$300 with a credit score of 640 this borrower may qualify for the following:

Sale Price \$250,000 Loan Amount \$250,000 - Ratios 32%/38% of gross income. There are no current listings in McMinnville for this price range.

FHA - Based on average gross income of \$57,246 = \$4770 and monthly consumer/child support debt of \$300 with a credit score of 640 this borrower may qualify for the following:

Sale Price \$285,000 Loan Amount \$250,000 - Ratios 39%/38% of gross income. There are no current listings in McMinnville for this price range.

SALE PRICE \$345,000

USDA – Gross Income needed \$84,000 = \$7,000 per month. Ratios 30.5%/39.49% of gross income

 \mathbf{FHA} – Gross income needed \$68,400 = \$5,700 per month. Ratios 39%/45.29% of gross income

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The information provided below reflects estimates of the charges that are likely to be incurred at the settlement of this loan. The fees listed are estimates; some

Date: 01/25/2020

rovided By: ınn Mortgage, LLC 05 Portland Road, Suite 230 wberg, OR 97132 ilda Sue Paris, 971-301-4491		rille, OR 97128		Borrower(s): USDA TEST		
oan Number: 4108756	Interest F	Rate: 4.000 %		Type of Loan: FarmersHomeAdministration Base Loan Amt		
oan Program: USDA Rural Development	t Term:	360	Sales Price: \$345,000	.00	Total Loan Amt:	\$348,484.00
		Estimated	Closing Costs			
00. Items Payable in Connection with	n Loan		1100. Title Charges			
	%	\$	00 00 00	or Closing Fee ee		\$ \$
02. Credit or Charge for Interest Rate		\$ \$ \$ \$ \$ \$ \$	1104. Lender's Ti 1109. Endorsen 1110. A Title E-Do		New Const	\$ 422.0 \$ 100.0 \$ 10.0 \$ 508.0 \$ \$
03. Adjusted Origination Charges		\$ 4,804.	84 1116.			\$
04. Appraisal Fee to		\$800.		ecording and T	ransfer Charges	, , , , , , , , , , , , , , , , , , , ,
05. Credit Report to		\$	1202. Recording			\$ 350.0
06. Tax Service to		\$	1203. Transfer Ta			\$ \$
07. Flood Certification		\$		/ Tax/Stamps		\$
Appraisal 1004(D) Update to Appraisal	l Reinsp 442	\$175.		damps		<u> </u>
309.		\$	1206.			ψ
310.		\$	1207.			φ
311.		\$	1208.			ψ
312.		\$	1209.			ψ
313.		\$	1210. 1300. Additional Set	Hamani Charac		Ψ
314.		\$		liement Charge	;5	\$
315.		\$	1302.			\$
316.		ф	1303. 1304.			š
317.		\$	1304.			\$
318.		\$		•		\$
319. A Guarantee Fee		\$3,484 \$	1306.			\$
320.		Φ	130%			\$
321.		Ψ	1308. 1309.			\$
322.		φ	1303.			\$
323.		φ	1310. 1311.			\$
324.		ψ ———·	1312.			\$
325.		\$ ———	1313.			\$
326.		ψ	1314.			\$
327.		ψ	1314. 1315.			\$
328.		Ψ	1316.			\$
329.		φ	1317.			\$
330.		φ	131%			\$
831.		Ψ	1310.			\$
832.		φ	1320.			\$
833.		φ	Total Estimated Clos	sing Costs		\$ 7,832
834.		φ	- IOIAI LSIIIIAICU CIU	g 003t3		7
835.		Φ				
			A - APR Affected by			

Date: 01/25/2020

The information provided below reflects estimates of the charges that are likely to be incurred at the settlement of this loan. The fees listed are estimates; some actual charges may be more or less. This transaction may not involve a fee for every item listed.

Provided By: Mann Mortgage, LLC 1505 Portland Road, Suite 230 Newberg, OR 97132 Naida Sue Paris, 971-301-4491	Subject Property: TBD Mcminnville, OR 97128		Borrower(s): USDA TEST		
Loan Number: 4108756	Interest Rate: 4.000 %	Type of Loan: FarmersHo	meAdministration	Base Loan Amt:	\$345,000.00
Loan Program: USDA Rural Development	Term: 360	Sales Price: \$345,000.0		Total Loan Amt:	
	Estimated Res	erve/Prepaid Costs			
900. Items Required by Lender to be Pa 901. A Daily Interest 19 Days @ \$ 38 902. Mortgage Ins Premium to 903. Homeowner's Insurance to 904. 905. VA Funding Fee 906. Flood Insurance 907. 908. 909. 910. 911. 912. Total Estimated Monthly Payment Principal and Interest Other Financing (P & I) Hazard Insurance Real Estate Taxes Mortgage Insurance HOA Dues Other Total Monthly Payment Closing Costs Summary Borrower Paid Closing Costs Total Closing Costs	\$	1002. Homeowner 1003. Mortgage Ins 1004. Property Tax 1005. City Property 1006. Flood Reser 1007. 1008. 1009. 1010. USDA Annua 1011. Aggregate At Total Estimated Reser Total Estimated Closing Purchase Price/Payoff Total Estimated Closing Total Estimated Reserv FIA UFMIP/VA Funding Total Costs 83 13 Loan Amount Non-Borrower Paid Close FHA UFMIP/VA Fee Fir Total Lender Credit First Mortgage Second Mortgage (Sub Closing Costs from 2n Total Credits Cash from borrower	sit into Escrow s Ins 2 mths s mths es 6 mths y Tax mths we mths al Fee mths djustment ve/Prepaid Co Costs e/Prepaid Costs vill pay) g Fee sing Costs nanced	V Account (a) © \$ 50.00 (b) Ø \$ 326.58 (c) Ø \$ (c) \$ (c) (d)	\$ 1,659.48 \$ 100.00 \$ 1,959.48 \$ 1,959.48 \$ \$ 2,985.09 \$ 2,985.09 \$ 2,985.09 \$ 345,000.00 \$ 3,484.85 \$ 359,302.28 \$ 345,000.00 -) \$ 3,484.00 -) \$ 3,484.00
	Paid by Broker Paid by Lender	A – APR Affected by CoO – Paid by Other	ost	P – Paid Outside	e Closing (POC)

Closing Cost Worksheet

Officer:

Naida Sue Paris

971-301-4491 503-550-6556

541-623-4812

Total Monthly Payment:

naida.paris@mannmortgage.com

Date: January 25, 2020 USDA TEST Borrower: Address: TBD

City, State, Zip: Mcminnville, OR 97128

Phone: Email:

Phone: Cell: Fax: Email:

The information provided below reflects ertimates of the charges which you are likely to incur at the settlement of your loan. The fees listed are estimates — the actual charges may be more or less. Your transaction may not involve a fee for every item listed. The numbers beside the estimates generally correspond to the numbered lines contained in the HUD-1 or HUD-1A Settlement Statement will show you the actual cost for items paid at settlement.

Proposed Loan Information

Base Loan Amount	\$345,000.00	Total Loan Amount	\$348,484.00
Purchase Price	\$345,000.00	Estimated Value	\$450,000
Interest Rate	4.000%	Loan Type	FarmersHomeAdministration
Annual Percentage Rate	4.606%	Loan Term	360 Months
LTV	77.441%	Second Mortgage Loan Amount	\$
Product	USDA Rural Development		

Estimated Closing Costs	Amount	Est. Prepaid/Reserve	Months	Amount
Loan Origination Fee	\$3,484.84	Daily Interest	19 days @	\$725.61
Processing Fees	\$595.00	Homeowner's Insurance	\$38.1900	\$600.00
Underwriting Fees	\$425.00	Homeowner's Insurance	12	\$100.00
Administration Fee	\$300.00	Property Taxes	2	\$1,959.48
Appraisal	\$800.00		6	
Appraisal 1004(D) Update	\$175.00			
Settlement or Closing Fee	\$662.50	Estimated Prepa	aid and Escrow Totals:	\$2,985.09
Lender's Title Insurance	\$422.00	•		-
Endorsements	\$100.00	Pavi	nent Summary	F 7 12.15
Title E-Doc Fee	\$10.00		none summing	
Endorsements	\$508.00	Principal and Interest		\$1,663.72
Recording Fees	\$350.00	Other Financing (P & I)		\$1,005.72
•		Hazard Insurance		\$50.00
Total Estimated Closing Costs:	\$7,832.34	Real Estate Taxes		\$326.58
	•	Mortgage Insurance		φ320.36 €
		HOA Dues		•
		Other		\$100.83
		Ome		Ψ100.05

Summary of your Transaction

Purchase Price Total Estimated Closing Costs Total Est Reserve / Prepaid Costs	\$345,000.00	Base Loan Amount	\$345,000.00
	\$7,832.34	FHA UFMIP / VA Financed	\$3,484.00
	\$2,985.09	Total Loan Amount	\$348,484.00
FHA UFMIP / VA Funding Fee	\$3,484.85		

\$348,484.00 \$359,302.28 **Total Credits Total Costs**

ESTIMATED CASH FROM BORROWER

\$10,818.28

\$2,141.13

Date: 01/25/2020

The information provided below reflects estimates of the charges that are likely to be incurred at the settlement of this loan. The fees listed are estimates; some actual charges may be more or less. This transaction may not involve a fee for every item listed.

actual charges may be more or less. This trans Provided By: Mann Mortgage, LLC 1505 Portland Road, Suite 205 Newberg, OR 97132 Naida Sue Paris, 503-385-1791	Subject Property: TBD Mcminnville, OR 97128		Borrower(s): FHA Test	on Amt. \$222 025 00
Loan Number: 4043914	Interest Rate: 4.000 %	Type of Loan: FHA Sales Price: \$345,000.0		an Amt: \$332,925.00 an Amt: \$338,751.00
Loan Program: FHA Fixed Rate	Term: 360		10 TOTAL LOS	m Ami: \$330,751.00
		Closing Costs 1100. Title Charges		7_70_01_01_01_01_01_01_01_01_01_01_01_01_01
800. Items Payable in Connection with It A Loan Origination Fees 1.000 Application Fees A Processing Fees A Underwriting Fees Broker Fees Broker Compensation A Administration Fee to Mann Mortgage	\$ 3,329.2 \$ 595.0 \$ 425.0	5 0 0 0	r Closing Fee e	\$ \$
802. Credit or Charge for Interest Rate 1 0 Day lock extension	\$ \$ \$ \$ \$ \$	6 1112. 1113. 1114.	e Insurance ents	\$ 408.00 \$ 100.00 \$ 10.00 \$ 508.00 \$ \$
803. Adjusted Origination Charges	\$\$ \$ 5,472.4	_ 1115. 1 1116.		\$
804. Appraisal Fee to Appraiser 805. Credit Report to 806. Tax Service to 807. Flood Certification	\$800.0 \$ \$	1200. Government Rec 1202. Recording Fe 1203. Transfer Taxe 1204. City/County	es Tax/Stamps	\$ 350.00 \$
808. Appraisal Inspection Fee 809. 810. 811. 812.	\$175.0 \$ \$ \$	0 1205. State Tax/Sta 1206. 1207. 1208. 1209.	amps	\$ \$ \$
813, 814. 815. 816.	\$ \$ \$	1210. 1300. Additional Settle 1302. 1303.	ement Charges	\$ \$
817. 818. 819. 820. 821.	\$ \$ \$ \$	1304. 1305. 1306. 1307. 1308.		# # # # # # # # # # # # # # # # # # #
822. 823. 824. 825. 826.	\$ \$ \$ \$	1309. 1310. 1311. 1312. 1313.		\$ \$ \$ \$ \$
827. 828. 829. 830. 831.	\$ = \$ = \$ = \$ =	1314. 1315. 1316. 1317. 1318. 1319.		\$.\$. \$ \$ \$ \$ \$ \$
833. 834. 835.	\$ \$ \$	1320. Total Estimated Closin 		\$
	– Paid by Broker – Paid by Lender	A – APR Affected by Co O – Paid by Other	est P – Paid	Outside Closing (POC)

Date: 01/25/2020

The information provided below reflects estimates of the charges that are likely to be incurred at the settlement of this loan. The fees listed are estimates; some actual charges may be more or less. This transaction may not involve a fee for every item listed.

Provided By: Mann Mortgage, LLC 1505 Portland Road, Suite 205 Newberg, OR 97132 Naida Sue Paris, 503-385-1791	Subject Pro TBD Mcminnville	perty:		Borrower(s) FHA Test	:		
Loan Number: 4043914	Interest Rat	e: 4.000 %	Type of Loan:FHA		Base Loan Am	t: \$332 ,9	25.00
Loan Program: FHA Fixed Rate	Term:	360	Sales Price: \$345,000.0	0	Total Loan Amt	: \$338,7	51.00
	Est	imated Reserv	ve/Prepaid Costs				-
900. Items Required by Lender to be Paid	in Advance	1	1000. Reserves Depos	sited with Le	ender		· · · · · · · · · · · · · · · · · · ·
901. A Daily Interest 19 Days @ \$ 37.12		\$705.34	1001. Initial Depos			\$_	1,751.87
902. A Mortgage Ins Premium to		\$ <u>5,826.18</u>	1002. Homeowner's	Ins 2 mth	s@\$ 56.09	\$_	112.18
903. Homeowner's Insurance to		\$ 673.08	1003. Mortgage Ins	mth	s @ \$ 233.93	\$_	
904.		\$	1004. Property Taxe	s 6 mth	s @ \$ 325.33	\$	1,951.98
905. VA Funding Fee		\$	1005. City Property	Tax mth	s @ \$	\$	
906. Flood Insurance		\$	1006. Flood Reserv	e 2 mth	s @ \$	\$	
907.		\$	1007.	mth	s @ \$	\$	
908.		\$	1008.	mth	s@\$	\$	
909.		\$	1009.	mth	s @ \$	\$	
910.		\$	1010. USDA Annual	Fee mth	s@\$	\$	
911.		\$	1011. Aggregate Ad	justment		- \$ _	-312.29
912.		\$	Total Estimated Reserv	e/Prepaid Co	osts	\$_	3,130.29
		Transaction	n Summary				
Total Estimated Monthly Payment		18.6 (80) (41)	Total Estimated Funds	s Needed to	Close		
Principal and Interest		\$1,617.25	Purchase Price/Payoff			(+) \$	345,000.00
Other Financing (P & I)		\$	Total Estimated Closing	Costs		(+) \$	7,662.75
Hazard Insurance		\$ 56.09	Total Estimated Reserve	Prepaid Cost	is	(+) \$	3,130.29
Real Estate Taxes		\$ 325.33	Discounts (if borrower wi	ll pay)		(+) \$_	
Mortgage Insurance		\$ 233.93	FHA UFMIP/VA Funding			(+) \$	5,826.18
HOA Dues		\$	Total Costs		(c)	. \$_	362,442.38
Other		\$			• •		
Total Monthly Payment		\$ 2,232.60	Loan Amount	2		(-) \$	332,925.00
Closing Costs Summary		'	Non-Borrower Paid Closi	ing Costs			
Borrower Paid Closing Costs	(a)	\$17,442.38	FHA UFMIP/VA Fee Fina	anced		(-) \$	5,826.00
SellerCredit	()	\$	Total Lender Credit				
Appraisal paid		\$	Seller Credit			(-) \$	
		\$					
		\$				(-) \$	
Total Non-Borrower Paid CC	(b)	\$				(-) \$	
Total Lender Credit	\ <i>)</i>	\$	First Mortgage				
Total Closing Costs	(a + b)	\$ 17,442.38	Second Mortgage (Sub I	Financing)			
	\- · -/		Closing Costs from 2nd			(-) \$ _	
			Total Credits		(d)	` ' \$ _	338,751.00
			Cash from borrower		(c – d)	\$_	23,691.38
S Paid by Seller B Pa	id by Broker		A – APR Affected by Cos	st .	<u> </u>		
1 O - 1 did by Collet	2, 2,0101						

Closing Cost Worksheet

January 25, 2020 Date: FHA Test Borrower: TBD

Address: City, State, Zip: Mcminnville, OR 97128

Phone: Email:

Officer: Naida Sue Paris 503-385-1791 Phone: 503-550-6556 Cell: 503-385-1598 Fax: Email: naida.paris@mannmortgage.com

The information provided below reflects estimates of the charges which you are likely to incur at the settlement of your loan. The fees listed are estimates — the actual charges may be more or less. Your transaction may not involve a fee for every item listed. The numbers beside the estimates generally correspond to the numbered lines contained in the HUD-1 or HUD-1A Settlement Statement which you will be receiving at settlement. The HUD-1 or HUD-1A Settlement Statement will show you the actual cost for items paid at settlement.

Proposed Loan Information

Base Loan Amount	\$332,925.00	Total Loan Amount	\$338,751.00
Purchase Price	\$345,000.00	Estimated Value	\$294,000
Interest Rate	4.000%	Loan Type	FHA
Annual Percentage Rate	5.170%	Loan Term	360 Months
LTV	113.240%	Second Mortgage Loan Amount	\$
Product	FHA Fixed Rate		

Estimated Closing Costs	Amount	Est. Prepaid/Reserve	Months	Amount
Loan Origination Fee Processing Fees Underwriting Fees Administration Fee Your Credit or Points Appraisal	\$3,329.25 \$595.00 \$425.00 \$300.00 \$823.16 \$800.00	Daily Interest Mortgage Insurance Premium Homeowner's Insurance Homeowner's Insurance Property Taxes	19 days @ \$37.1234 0 12 2 6	\$705.34 \$5,826.18 \$673.08 \$112.18 \$1,951.98
Appraisal Inspection Fee Settlement or Closing Fee Lender's Title Insurance Endorsements Title E-Doc Fee Endorsements	\$175.00 \$662.50 \$408.00 \$100.00 \$10.00 \$508.00	. •	and Escrow Totals:	\$3,130.29
Recording Fees Total Estimated Closing Costs:	\$350.00 \$7,662.75	Principal and Interest Other Financing (P & I) Hazard Insurance Real Estate Taxes Mortgage Insurance HOA Dues Other		\$1,617.25 \$ \$56.09 \$325.33 \$233.93 \$ \$0.00

Summary of your Transaction

Total Monthly Payment:

Total Costs	\$362,442.38	Total Credits	\$338,751.00
Discounts (if borrower will pay)	\$823.16		
FHA UFMIP / VA Funding Fee	\$5,826.18		
Total Est Reserve / Prepaid Costs	\$3,130.29	Total Loan Amount	\$338,751.00
Total Estimated Closing Costs	\$7,662.75	FHA UFMIP / VA Financed	\$5,826.00
Purchase Price	\$345,000.00	Base Loan Amount	\$332,925.00

ESTIMATED CASH FROM BORROWER

\$23,691.38

\$2,232.60

This is not a Good Faith Estimate or a Truth-in-Lending Disclosure Statement required by federal law. If you make application with us, your Good Faith Estimate and Truth-in-Lending Disclosure Statement will be sent to you in the opening package. This is not a commitment to lend, nor is it a rate lock, pre-qualification or pre-approval. This worksheet is intended to assist you in evaluating a loan or home purchase using estimated closing and property costs. Closing and settlement costs, reserve deposits, interest rate, and APR are subject to change and the estimates shown above may be more or less depending on factors such as but not limited to: down payment, property type, and occupancy. Housing costs will vary depending on but not limited to: location, homeowner's association dues, local and state fees, taxes, and hazard and mortgage insurance. Changes from third parties, which may include but not limited to: Lender's affiliates, will be passed through at the actual cost charged by the 3rd Party. You may wish to compare these estimated charges in considering the total cost of your mortgage.

Example 1 Housing Lender, Mann Mortgage, LLC Trade/service marks are the property of Mann Mortgage, LLC Some products may not be available in all states. This is not a commitment to lend. Restrictions apply. All rights reserved.